CHAPTER III—REVENUE AND FINANCE.

(i) Revenue and Finance.

The Statement showing the Receipts and Disbursements of the State for the year 1953-54, is given in Appendix I.

General Summary.

300. The total Revenue realised during the year was Rs. 2,022·78 lakhs and the net expenditure met from Revenue was Rs. 2033·35 lakhs resulting in a deficit of Rs. 10·57 lakhs.

301. The total Receipts and Disbursements for the year including Service, Debt and Remittance Heads were Rs. 16,429·98 lakhs and Rs. 16,223·52 lakhs respectively and the year closed with a cash balance of Rs. 558·67 lakhs.

Consolidated Fund Receipts.

302. As compared with the Actuals for the previous year large increases appear under the following heads :—

	In Lakhs of Rs.
Stamp Revenue ...	... 10·84
Other Taxes and Duties ...	... 18·99
Receipts under Motor Vehicle Act	... 23·04
Interest ...	... 42·78
Civil Works ...	... 21·15
Industries and Supplies ...	... 44·33
Transfers from Famine Relief	... 21·05
Extraordinary Receipts ...	... 15·89

303. The increases under the above heads are to some extent set off by decreases under the following heads :—

	In Lakhs of Rs.
Land Revenue ...	... 13·27
Excise Revenue ...	... 14·04

304. The increase under Stamp Revenue is due to increased receipts generally and to less refunds during the year. Under Other Taxes and Duties, the increase is mainly under Sales-Tax. The increase under Motor Vehicles Act is due to large receipts under vehicles and service tax, road-tax on lorries and tolls and roads. The large increase under Interest Receipts is due to recovery of arrears on the Central Share of the Public Debt of the State. The increase under Civil Works is due

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to the adjustment of allocations from the Central Road Fund made by the Government of India. Increased receipts under "Industries" mainly accounts for the increase under "Industries and Supplies." The receipt of Rs. 21·05 lakhs under "Transfers from Famine Relief" represents the portion of the expenditure incurred on Famine Relief and adjusted as receipts under this head instead of as deduction from expenditure, as in the previous year. The large increase under Extraordinary Receipts, is due to the inclusion, under this head of the sum of Rs. 15 lakhs, representing the reimbursement of the Central Government's share of capital in respect of the discharged 3½ per cent Mysore State Loan of 1951-58.

Expenditure met from Revenue.

305. The fall under Land Revenue is mainly due to the large increase under the amounts payable to Local Bodies. The decrease under Excise Revenue is mainly due to the realisation of lower rentals in auction sales.

Large increases appear under :—	*In Lakhs of Rs.*
1. Appropriation for Reduction or avoidance of Debt	... 12·00
and	
2. Industries and Supplies	... 95·32
Considerable decreases appear under : —	
1. Interest on Debt and Other obligations	... 75·35
and	
2. Extraordinary Charges	... 9·34

306. The increase under Appropriation for reduction or avoidance of debt is due to the enhancement of the contribution to the Sinking Fund. The large increase under Industries and Supplies is mainly due to large increase under working expenses of Government Industrial and Commercial undertakings.

307. The very large decrease under Interest on Debt and Other Obligations is due to the adjustment of interest on Capital Outlay, as deduction under interest, for the first time during 1953-54. The decrease under extraordinary charges is mainly due to retrenchment in the Food Supply and Civil Supplies Departments.

Capital.

308. The total net capital outlay during the year amounted to Rs. 99·55 lakhs as compared with Rs. 472·34 lakhs during the year 1952-53. The large decreas,

is due to the minus expenditure of Rs. 370·19 lakhs under Capital Outlay on State Schemes of Government Trading representing receipts on account of large scale clearance of stock.

309. The entire expenditure met from advances out of the Contingency Fund during the year was recouped in full before the year's accounts were closed and the fund closed with a credit balance of Rs. 30 lakhs. Contingency Fund.

310. There were large incomings under State Provident Funds (11·60 lakhs), Other accounts (61·70 lakhs), Reserve Funds (400·80 lakhs) and other Deposit Accounts (77·22 lakhs) with a large outgoing of (43·86 lakhs) under Savings Bank Deposits. Public Account.

311. The large incoming of Rs. 400·80 lakhs under Reserve Funds is mainly due to the transfer of the balances under Depreciation Reserve Fund Investment Account balances to Cash balance investment account.

(ii) Excise.

312. The Mysore Sugar Company Limited, Bangalore, continued to be the manufacturing contractors for the supply of liquors during the year. Distillery.

313. The rate of molasses arrack of 35° U.P. payable to the Mysore Sugar Company was increased from twelve annas to twelve annas and nine pies per gallon with effect from 1st July 1953. The rate of Rs. 2-7-0 per gallon of special liquor manufactured out of molasses was also increased by one anna per gallon, but there was no change either in the rate of bottling charges or packing charges payable to Mysore Sugar Company, and the rates of the previous year were current during the year.

314. The rates payable to Mysore Sugar Company, Limited, from 1st July 1953 to 30th June 1954 for the liquors supplied by them to Government were :—

(*a*) Molasses Arrack ... Re. 0-12-9 per gallon.

(*b*) Special liquors—

1. Rs. 2-8-0 (Naked) per gallon.
2. Rs. 5-0-0 bottling charges in quart bottles.
3. Rs. 10-0-0 bottling charges in pint bottles.

Packing Charges.

4. Rs. 6-0-0 per case of eight gallons in quart bottles.
5. Rs. 6-0-0 per case of six gallons in pint bottles.